COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER	
COOPERATIVE, INC. FOR A CERTIFICATE OF	CASE NO.
PUBLIC CONVENIENCE AND NECESSITY FOR	2014-00252
CONSTRUCTION OF AN ASH LANDFILL AT J.K.	
SMITH STATION, THE REMOVAL OF IMPOUNDED)	
ASH FROM WILLIAM C. DALE STATION FOR	
TRANSPORT TO J.K. SMITH AND APPROVAL OF A)
COMPLIANCE PLAN AMENDMENT FOR	
ENVIRONMENTAL SURCHARGE RECOVERY	

ORDER

This matter is before the Commission upon Grayson Rural Electric Cooperative Corporation's ("Grayson") motion, filed January 26, 2015, requesting a continuance of the formal evidentiary hearing that is currently scheduled for February 3, 2015. In support of its motion, Grayson states that its counsel is scheduled to be out of town on February 3, 2015, and that, due to his trial schedule, Grayson's counsel will be unavailable to attend any hearing in this matter until after mid-March.

On January 27, 2015, East Kentucky Power Cooperative, Inc. ("EKPC") filed a response objecting to Grayson's motion. EKPC argues that the instant matter is required, pursuant to KRS 278.183(2), to be decided within six months of the filing of the instant application, or on or before March 7, 2015. Given that Grayson's counsel will not be available until a period after the statutory deadline has expired, EKPC asserts that there is no date to which a hearing could be rescheduled that would satisfy

both Grayson's counsel and the statutory deadline. EKPC contends that adherence to the relevant statutory requirements is paramount and, therefore, Grayson's request should be denied.

EKPC also points out that any postponement of the scheduled hearing would result in undue complication and expense for EKPC in light of the fact that it has already made arrangements for air travel for an expert witness to attend the hearing; that it has taken the necessary steps to ensure its counsel and other witnesses will be prepared for and attend the scheduled hearing; and that it has started the process to publish notice for the hearing.

Lastly, EKPC contends that Grayson has not actively been engaged in this proceeding and that such inactivity should be weighed against Grayson's request to reschedule the hearing for Grayson's convenience.

Having reviewed the pleadings and being otherwise sufficiently advised, the Commission finds that Grayson has failed to establish good cause to permit a continuance of the February 3, 2015 Hearing. EKPC's application, which was filed on September 8, 2014, requests a Certificate of Public Convenience and Necessity to construct a landfill at its J.K. Smith Generating Station ("Smith Landfill"). The proposed Smith Landfill would be used to receive coal ash removed and transported from EKPC's William C. Dale Generating Station. EKPC also requests approval of an Environmental Compliance Plan amendment, pursuant to KRS 278.183, to recover the approximately \$27 million in costs associated with the project through its existing environmental surcharge mechanism. KRS 278.183(2) requires the Commission, within six months of

the filing of an environmental surcharge application, to conduct a hearing and render a decision. Accordingly, a decision in this matter has to be issued on or before March 7, 2015. Given that we cannot accommodate Grayson's request to postpone the hearing in this matter until mid-March without contravening the six-month statutory period for the issuance of a final order as required under KRS 278.183(2), the February 3, 2015 Hearing will convene as scheduled.

The Commission HEREBY ORDERS that Grayson's motion to continue the hearing scheduled for February 3, 2015 is denied.

By the Commission

ENTERED

JAN 2 9 2015

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

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